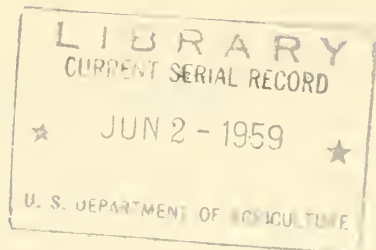


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U. S. Agricultural
Trade with



LATIN
AMERICA

FAS M-57 May 1959

Foreign Agricultural Service
UNITED STATES DEPARTMENT OF AGRICULTURE

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U. S. AGRICULTURAL TRADE WITH LATIN AMERICA

By Latin American Analysis Branch

Latin America has assumed increasing importance in U. S. agricultural trade during the past two decades. The 20 Latin American Republics accounted for 51 percent of U. S. agricultural imports in 1958, compared with an average of 35 percent during the prewar period 1935-39. Latin America's share in an expanding volume of U. S. agricultural exports more than doubled, rising from 6 to 13 percent.

Latin America's agricultural and total trade grew most rapidly during the postwar period prior to 1954. Economic and industrial growth in the United States expanded U. S. demand for Latin American farm and mineral products. At the same time, favorable terms of trade and industrial expansion in Latin America increased per capita income and encouraged urban growth. Rising demand for food helped expand the market for many U. S. farm products.

A slowdown in trade growth has developed during recent years. Larger world supplies increased competition and depressed prices for Latin American exports. Trade deficits reduced exchange reserves and contributed to inflation in many countries. Policies aimed at maximizing exchange earnings were generally restrictive to U. S. exports. Most countries have instituted programs to increase self-sufficiency of food production. Trade between countries in the area is being emphasized through bilateral agreements. Despite these developments, growth in U. S. agricultural trade with Latin America has been maintained.

Latin America is a major market for U. S. products, with volume of trade in some years exceeded only by countries of Western Europe. There are strong indications that this market may grow despite operation of current forces which tend to restrict trade.

Factors Affecting Growth of U. S. Agricultural Trade

Population growth, industrial and economic activity, competitive agricultural production, U. S. imports, and degree of financial stability are important factors affecting the pattern and composition of U. S. exports to Latin America. The past two decades have been characterized by a trend toward economic independence through industrialization and diversification of production in many Latin American countries. This trend has increased demand by urban groups for agricultural products. The future U. S. agricultural exports to this area will continue to respond to the above influences.

The population of the Latin American Republics was estimated at 179 million in 1956 (see Table 1). Although Latin America contains only 6.5 percent of the world population, it exceeds all other regions of the world

in rate of population growth. Population is not high relative to total land area, but it is highly concentrated in the productive land areas of Argentina, Brazil, Chile, Colombia, Cuba, Mexico, Peru, and Venezuela, which account for about 85 percent of the total. Since 1940, total population has risen by about 55 million, an annual average of 2.7 percent. Growth rates were high in Mexico and other countries of Middle America and exceeded the average in Brazil, Colombia, Paraguay, and Venezuela, among others.

Table 1.- Population and percent of labor force engaged in agriculture, selected countries and total Latin American Republics, 1940 and 1950

Country	Population			Labor force in agriculture	
	1940	1950	1956	1940	1950
	Mil.	Mil.	Mil.	Percent	Percent
Argentina.....	14.1	17.2	19.5	1/	25
Brazil.....	41.1	52.0	58.9	67	58
Chile.....	5.1	6.1	1/	35	30
Colombia.....	9.1	11.3	12.9	72	72
Cuba.....	4.6	5.5	6.2	1/	42
Mexico.....	19.8	25.8	30.5	65	58
Nicaragua.....	.8	1.1	1.3	73	68
Panama.....	.6	.8	.9	52	50
Peru.....	7.0	8.5	9.7	62	1/
Venezuela.....	3.7	5.0	6.0	50	41
Total Latin America.....	124.8	155.3	179.2	59	52

1/ Not available.

SOURCE: Monthly Bulletin of Statistics and Production Yearbook, United Nations, FAO, Rome.

Over half of the economically active labor force in Latin American countries was engaged in rural occupations in 1950 (Table 1). The proportion varied from nearly 75 percent for countries in the tropical areas to 30 percent or less in Argentina and Chile. During the period from 1940 to 1950, accelerated economic activity in nonagricultural sectors encouraged a continuing shift of people from rural areas to the principal cities in many countries. As a result, the proportion of labor engaged in rural occupations declined 7 percent. A significant urban shift (more than 5 percent) occurred in Brazil, Chile, Mexico, and Venezuela. It is doubtful whether many countries have actually increased the proportion of workers in agriculture despite growth in population.

Real gross product in Latin America, at constant prices, increased by 80 percent during the period 1945-56. This expansion in economic activity reflects an increased level of farm and mineral output for export in most countries. It also indicates rising industrial activity in many of the countries (see indices, Table 2). With the exception of Bolivia and Paraguay, considerable industrial development took place in South American countries during the postwar period, as well as in Mexico, Cuba, and El Salvador.

Table 2.- Agriculture, mining, and manufacturing: Production indices, selected countries, 1945-55

1950 = 100

Country	Agriculture				Mining ^{1/}				Manufacturing		
	1945-47	1949-51	1953-55		1945-47	1949-51	1953-55		1945-47	1949-51	1953-55
Argentina:	108	104	120	:	<u>2/</u>	<u>2/</u>	<u>2/</u>	:	88	100	102
Brazil....:	86	97	118	:	<u>2/</u>	<u>2/</u>	<u>2/</u>	:	70	97	130
Chile.....:	91	99	113	:	86	104	98	:	85	97	114
Mexico....:	71	97	123	:	86	96	112	:	78	103	123
Peru.....:	87	100	121	:	83	102	145	:	82	104	145
Venezuela:	81	100	119	:	70	101	130	:	59	101	174
Total,				:				:			
Latin				:				:			
America:	<u>2/</u>	100	113	:	<u>2/</u>	100	125	:	77	100	121
				:				:			

^{1/} Includes petroleum products.

^{2/} Not available.

Adapted from "Economic Surveys of Latin America" - Economic Commission for Latin America.

Despite expansion in Latin American agriculture since the prewar period, production barely kept pace with population growth. The FAS index of agricultural production for Latin America for 1957-58, on a per capita basis, shows a decline from prewar of about 3 percent.^{1/} During this period, per capita production more than doubled in Nicaragua and increased by more than 50 percent in Mexico and more than 30 percent in Cuba and Panama. It declined in Argentina, Dominican Republic, Guatemala, and Paraguay. Output--including production for exports--expanded at a slower pace than mining and manufacturing in countries of more intensive industrial development (see

^{1/} The FAS and ECLA indices of agricultural production show similar trends.

Table 2). The lag, particularly in food production, accounts for part of the rise in demand for U. S. farm products in Latin American countries.

Decline in world prices for Latin American agricultural and mineral exports, combined with rising import demand, weakened trade capacity during recent years. Since 1952, reduced export earnings have contributed to a substantial decline in gold and dollar holdings in Argentina, Bolivia, Brazil, Chile, Colombia, Peru, and Uruguay. The exchange position improved in Ecuador and Venezuela, but the trade position of certain other countries has been adversely affected to some degree. The exchange problem, plus expansion of programs to increase competitive production and increasing emphasis on bilateral and multilateral trade among the Latin American countries, may temporarily slow down U. S. agricultural trade.

Composition and Pattern of Trade

The United States takes about 45 percent of the Latin American products that enter foreign trade. More than half of these products are agricultural and, to a large extent, complement U. S. farm production. Minerals account for another third of Latin America's total exports. U. S. imports from Latin America provide the basis for exports of industrial supplies, manufactured goods, and agricultural commodities to the area. These exports accounted for more than a quarter of all U. S. foreign trade during 1958.

U. S. agricultural exports still go mainly to the northern areas of Latin America. However, the countries of South America have assumed increasing importance in U. S. trade during recent years with expansion of industrial and mineral production. Industrial growth has also affected the commodity composition of U. S. agricultural exports, placing greater emphasis upon raw commodities.

The general trend of U. S. agricultural trade with the 20 Latin American Republics has been upward. U. S. agricultural imports expanded rapidly during the early postwar period and reached a peak in 1951. After 1951, however, they declined somewhat and leveled off at just over \$2 billion a year. U. S. agricultural exports rose much more sharply after the war and reached a peak value in 1952. Following 1952, exports were slowed by reduced exchange earnings in several Latin American countries. Expansion during 1956 and 1957 reflects some increase in the movement of U. S. farm surplus commodities to countries deficient in dollar exchange, but increases also occurred in exports to the traditional dollar markets.

The geographic pattern of agricultural and total trade with Latin American countries is shown in Tables 3 and 4. The composition and pattern of agricultural trade are analyzed in more detail in the sections which follow.

Trade by Commodities

In general, agricultural imports from Latin America are complementary to U. S. output and consist of items not produced commercially in the United States.

Table 3.- U. S. Imports from the 20 Latin American Republics: Total and agricultural, by country of origin, average 1935-39/1950-54 and annual 1955-58

Country of origin	1935-39			1940-44			1945-49			1950-54			1955			1956			1957			1958 ^{1/}		
	Total	Agr.		Total	Agr.		Total	Agr.		Total	Agr.		Total	Agr.		Total	Agr.		Total	Agr.		Total	Agr.	
	Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.	
Costa Rica	3.6	3.4		7.0	6.7		17.2	15.9		30.4	29.5		28.1	27.6		19.1	18.1		27.5	26.7		35.9	34.7	
El Salvador	6.2	6.1		11.0	10.9		26.2	26.0		60.5	60.2		62.0	61.7		48.4	48.2		55.6	55.0		48.4	47.1	
Guatemala	8.9	8.3		14.7	13.4		37.3	33.7		62.2	59.5		70.7	66.7		78.8	73.8		75.0	69.0		65.9	62.9	
Honduras	6.1	5.9		7.1	6.6		11.7	10.6		23.3	21.8		20.5	20.3		29.5	27.2		27.5	23.5		27.9	25.2	
Nicaragua	2.6	2.4		4.3	3.9		7.8	6.8		22.7	20.8		25.6	23.3		19.5	17.8		22.3	20.0		21.2	19.9	
Panama	4.3	3.8		3.0	2.7		7.0	6.3		14.1	11.2		20.4	15.7		20.1	13.0		24.3	16.4		23.8	16.1	
Mexico	48.2	26.5		136.4	61.2		233.9	98.4		342.0	138.8		392.4	161.7		394.5	139.3		444.9	182.7		454.5	221.7	
Cuba	118.9	111.9		221.6	189.0		384.7	341.4		417.3	376.1		416.6	361.7		457.8	397.4		477.8	404.6		517.5	451.4	
Dominican Republic	5.9	5.6		10.4	9.8		25.1	23.9		53.3	52.0		62.2	58.5		60.1	54.8		63.0	55.6		71.7	60.4	
Haiti	2.4	2.2		7.5	7.0		18.4	16.7		25.4	24.3		16.4	14.5		14.6	12.7		18.3	13.6		22.7	18.4	
Argentina	73.1	66.3		141.2	117.2		155.3	122.7		174.1	143.8		127.2	108.3		130.9	106.0		128.1	102.2		131.4	114.0	
Bolivia	4	1		5.6	6		33.3	1.3		48.8	1.1		38.4	1.6		40.2	1.7		16.2	1.2		11.1	1.6	
Brazil	105.1	102.5		194.5	162.7		444.1	409.8		775.0	738.8		629.5	593.3		745.5	696.6		686.6	615.1		558.4	496.3	
Chile	30.8	2.0		120.6	6.7		134.2	8.7		218.3	8.4		201.7	4.5		232.0	4.1		195.7	4.1		127.6	4.7	
Colombia	48.7	46.5		76.3	70.3		188.2	165.8		406.1	363.8		441.9	412.0		409.1	375.7		383.1	350.3		331.6	292.7	
Ecuador	3.3	2.8		10.0	5.9		16.3	10.6		43.7	39.2		53.1	47.8		53.2	46.8		58.0	51.4		56.0	50.2	
Paraguay	1.1	4		3.1	1.4		4.4	1.8		6.3	2.5		4.2	1.1		5.8	2.2		6.6	3.7		7.3	6.4	
Peru	11.2	2.4		23.2	7.2		36.5	13.0		69.8	18.6		103.2	22.5		132.4	27.0		142.3	27.5		130.3	34.5	
Uruguay	9.0	8.9		33.3	32.5		51.6	50.2		75.7	65.4		18.4	15.7		22.2	18.4		14.3	10.6		10.3	8.0	
Venezuela	22.8	4.7		37.9	9.8		180.1	24.0		396.2	41.5		582.4	41.0		694.0	34.5		897.9	34.7		889.4	42.9	
Total	512.6	412.7		1,068.7	725.5		2,013.3	1,387.6		3,266.3	2,218.8		3,316.2	2,059.7		3,607.7	2,115.3		3,765.0	2,067.9		3,542.9	2,009.1	
Percent of :																								
Total U.S.	21	35		34	48		36	54		32	51		29	52		29	55		29	51		28	52	

^{1/} Preliminary.

Table 4.- U. S. Exports to the 20 Latin American Republics: Total and agricultural, by country of destination, averages 1935-39/1950-54 and annual 1955-58

Country of destination	1935-39		1940-44		1945-49		1950-54		1955		1956		1957		1958 1/	
	Total	Agr.	Total	Agr.	Total	Agr.	Total	Agr.	Total	Agr.	Total	Agr.	Total	Agr.	Total	Agr.
	Mil. dol.		Mil. dol.		Mil. dol.		Mil. dol.		Mil. dol.		Mil. dol.		Mil. dol.		Mil. dol.	
Costa Rica..	5.0	0.9	10.8	1.6	25.7	4.0	33.9	4.8	43.1	6.5	41.6	6.8	48.1	5.5	41.7	5.0
El Salvador..	3.4	.4	5.9	.6	20.4	1.7	37.8	4.5	46.8	8.6	49.3	5.7	49.9	5.7	44.2	5.3
Guatemala...	6.2	.9	9.9	1.0	33.6	3.9	44.3	6.4	56.4	11.4	79.2	9.4	81.0	9.1	78.4	9.5
Honduras....	5.6	.6	7.4	.6	24.0	1.9	33.6	3.0	33.8	5.2	38.0	3.8	41.5	4.1	35.6	4.0
Nicaragua...	3.0	.4	6.6	.7	14.8	1.5	25.4	1.9	38.6	3.9	32.4	3.3	39.0	3.7	37.4	3.8
Panama.....	18.2	3.9	23.0	4.1	92.4	7.4	82.9	8.7	75.7	7.9	67.4	8.9	84.2	12.4	83.6	10.1
Mexico.....	77.0	5.2	131.2	22.6	476.4	55.8	623.3	81.1	696.9	49.4	836.4	68.6	897.2	103.5	881.9	106.3
Cuba.....	74.6	18.7	126.6	41.5	351.4	119.0	471.5	146.3	449.8	107.6	510.2	123.6	616.6	146.8	543.9	145.1
Dominican Republic..	5.5	.7	10.1	1.1	36.3	3.7	48.3	5.0	59.9	4.8	67.0	5.1	73.9	6.0	75.7	5.8
Haiti.....	4.0	.8	6.4	1.1	18.1	3.3	30.1	6.1	31.5	8.5	36.2	7.2	24.2	8.3	25.0	7.3
Argentina...	71.4	1.7	69.2	2.7	282.5	5.7	149.3	5.4	147.7	9.6	211.9	23.6	280.3	1.5	248.1	1.0
Bolivia....	4.4	.5	11.3	.6	27.2	4.6	27.7	6.2	38.6	14.2	47.0	20.5	33.9	8.8	29.0	3.3
Brazil.....	60.4	1.7	146.3	3.5	417.6	42.4	470.5	39.2	240.1	13.3	292.2	42.3	480.6	40.7	527.7	40.1
Chile.....	21.0	.8	46.9	1.0	99.9	4.6	107.5	14.3	90.4	12.9	153.9	26.5	194.4	26.8	147.3	14.4
Colombia...	35.7	2.8	50.1	3.5	163.8	12.7	259.2	25.9	328.6	27.3	312.5	29.3	237.6	33.6	183.3	25.6
Ecuador....	4.0	.6	9.7	1.2	28.0	4.4	37.6	5.9	45.8	4.5	43.4	6.6	50.6	6.9	46.6	5.3
Paraguay...	.6	2/	1.5	2/	5.9	3/	5.6	.7	4.7	.2	7.6	2.5	11.1	.3	10.0	3/
Peru.....	15.9	.7	30.4	1.3	69.3	8.1	105.4	12.0	120.0	15.1	158.7	13.3	197.4	19.6	166.5	22.3
Uruguay....	7.6	.3	15.5	.6	49.2	2.3	46.5	2.5	37.6	1.6	32.9	3.6	48.6	5.8	21.4	1.2
Venezuela...	40.4	4.2	62.6	9.3	360.7	46.7	476.0	70.4	553.6	72.9	646.7	72.5	1,028.1	82.3	805.6	83.6
Total.....	463.9	45.7	781.4	98.6	2,597.2	333.7	3,116.4	450.3	3,139.6	385.4	3,664.5	483.1	4,518.2	531.4	4,032.9	499.0
Percent of :																
Total, U.S.: 17	6	9	8	22	10	22	22	14	21	12	20	12	22	12	28	13

1/ Preliminary.

2/ Less than 0.5 million.

3/ Less than 0.05 million.

The most important noncompetitive products imported from the area are coffee, cacao beans, and bananas. These three commodities make up approximately 65 percent of the value of agricultural products imported from Latin America (see Table 5). U. S. imports of these commodities are extremely important to agricultural trade with the tropical countries of Central America, Colombia, Ecuador, and Brazil. Other imports include rubber, carpet wool, sisal, henequen, abacá, tea, and pepper.

Many other agricultural commodities that supplement U. S. production are imported from Latin America. The most important of these are sugar and apparel wool. These two commodities account for a fifth of U. S. agricultural imports. Other supplementary commodities of some importance to U. S. trade include live cattle, pineapple, and certain fruits and vegetables.

Commodities competitive to U. S. production are usually imported during periods of inadequate domestic production. These include meat, dairy products, hides and skins, tobacco, and some vegetable oils.

Latin America is the major source of supply for the principal complementary and supplementary products. In 1957, imports from that area, in percent of U. S. total imports, were: Bananas, 99 percent; coffee, 88; cacao beans, 51; sugar, 78; wool, 28; and live cattle, 25. Coffee accounted for about 90 percent of the rise in U. S. agricultural imports from Latin America during the period 1948-57.

U. S. agricultural exports to Latin America are important despite the fact that the area is a surplus producer of farm products. Competitive output of many U. S. surplus products is limited to the temperate areas of Middle and South America. The tropical countries of the area provide a market particularly for grains, fats and oils, and dairy products.

The principal agricultural exports are shown in Table 6. Grains and their preparations accounted for approximately 43 percent of the \$531 million worth of U. S. farm products exported to Latin America in 1957. Nearly one-half of the total of grains and preparations was wheat and wheat flour shipped to 17 of the 20 Latin American Republics. In addition to these products, the Latin American countries imported varied amounts of U. S. rice, barley malt, and whole, processed and semiprocessed oats. The United States occasionally supplies corn to nearby countries where this commodity is a basic food product.

Fats and oils rank next to grain in importance. In 1957, these products were valued at \$75 million, representing about 14 percent of agricultural exports to the area. Mexico, Cuba, Colombia, and Venezuela are important markets. Vegetables and fruits rank third in export with about 10 percent, mainly to markets in Cuba and Venezuela. Venezuela is also the principal market for dairy products, accounting for about half of the exports to the area.

Other important export commodities include meat products and unmanufactured cotton. Cuba and Venezuela are important markets for meat products,

Table 5.- U. S. Imports from Latin America: Principal agricultural products, by country, 1955-1957

Commodity and country	1955	1956	1957
	Million dollars	Million dollars	Million dollars
Bananas:			
Central America.....	38.1	41.5	41.4
Colombia.....	3.4	2.5	1.0
Ecuador.....	20.7	21.4	22.8
Mexico.....	1.5	.9	2.2
Other Latin American Republics.....	2.2	1.5	2.1
Total, Latin American Republics.....	65.9	67.8	69.5
Total, all countries.....	66.5	68.0	69.8
Percent from Latin American Republics..	99.1	99.7	99.6
Sugar:			
Cuba.....	293.2	317.3	332.8
Dominican Republic.....	2.9	5.0	7.8
Mexico.....	1.5	1.3	4.3
Central America.....	.8	.4	1.6
Peru.....	5.7	6.2	8.8
Other Latin American Republics.....	.3	.5	.8
Total, Latin American Republics.....	304.4	330.7	356.1
Total, all countries.....	415.1	436.6	458.3
Percent from Latin American Republics..	73.3	75.7	77.7
Wool:			
Argentina.....	52.9	48.6	47.5
Chile.....	.5	.9	1.0
Peru.....	4.6	7.1	4.9
Uruguay.....	14.2	15.5	5.5
Other Latin American Republics.....	.7	1.0	.5
Total, Latin American Republics.....	72.9	73.1	59.4
Total, all countries.....	260.4	242.3	210.7
Percent from Latin American Republics..	28.0	30.2	28.2
Coffee:			
Brazil.....	486.3	604.8	528.4
Colombia.....	408.4	372.5	349.0
Central America.....	162.0	141.8	147.4
Dominican Republic.....	23.0	28.7	21.2
Haiti.....	6.0	5.1	4.5
Mexico.....	86.7	85.6	93.0
Ecuador.....	16.9	16.8	19.7
Venezuela.....	30.9	27.4	28.9
Other Latin American Republics.....	7.6	18.1	15.0
Total, Latin American Republics.....	1,227.8	1,300.8	1,207.1
Total, all countries.....	1,356.8	1,437.9	1,375.8
Percent from Latin American Republics..	90.5	90.5	87.7
Cacao beans:			
Brazil.....	46.9	37.4	31.4
Dominican Republic.....	16.8	9.0	13.4
Ecuador.....	9.1	7.8	8.3
Panama.....	1.9	1.3	1.6
Venezuela.....	9.2	6.6	5.4
Mexico.....	3.6	1.1	3.9
Other Latin American Republics.....	5.9	3.4	5.0
Total, Latin American Republics.....	93.4	66.6	69.0
Total, all countries.....	184.8	144.6	134.7
Percent from Latin American Republics..	50.5	46.1	51.2
Meats 1/:			
Argentina.....	29.6	22.9	26.3
Brazil.....	1.3	1.0	1.1
Mexico.....	3.1	1.6	4.6
Uruguay.....	.5	1.3	3.5
Other Latin American Republics.....	1.5	1.5	2.9
Total, Latin American Republics.....	36.0	28.3	38.4
Total, all countries.....	162.7	143.9	182.3
Percent from Latin American Republics..	22.1	19.7	21.1

1/ Includes sausage casings.

Table 6.- U. S. Exports to Latin America: Principal agricultural products, by country, 1955-1958

Commodity and country	1955	1956	1957	1958
	Million dollars	Million dollars	Million dollars	Million dollars
Wheat and flour:				
Cuba.....	10.5	14.3	16.4	14.1
Brazil.....	7.2	34.3	33.3	30.3
Venezuela.....	10.0	12.8	13.3	13.4
Colombia.....	3.4	6.6	7.3	5.7
Peru.....	6.8	4.2	9.1	7.7
Chile.....	2.3	7.3	7.1	.1
Other.....	23.1	35.2	23.8	17.8
Total, 20 Republics.....	63.3	114.7	110.3	89.1
Dairy products:				
Mexico.....	3.0	4.8	4.5	5.1
Cuba.....	3.6	3.3	3.2	2.2
Brazil.....	1.6	2.2	3.2	4.0
Venezuela.....	21.5	19.7	20.9	16.9
Other.....	9.5	8.8	6.0	5.1
Total, 20 Republics.....	39.2	38.8	37.8	33.3
Meats:				
Mexico.....	1.1	1.5	1.6	1.9
Cuba.....	9.5	10.8	11.1	12.3
Venezuela.....	2.6	2.4	3.3	4.1
Other.....	2.1	1.8	2.3	2.2
Total, 20 Republics.....	15.3	16.5	18.3	20.5
Vegetables, fruits and nuts:				
Mexico.....	5.3	5.7	5.9	13.4
Cuba.....	23.3	25.2	26.5	26.3
Panama.....	2.4	2.7	3.7	2.9
Venezuela.....	13.7	11.9	14.5	18.3
Other.....	23.0	8.4	7.7	7.2
Total, 20 Republics.....	67.7	53.9	58.3	68.1
Fats, oils and oilseeds:				
Mexico.....	11.6	13.0	9.7	14.4
Cuba.....	25.7	26.1	31.0	28.0
Haiti.....	2.1	2.4	2.8	2.9
Venezuela.....	3.0	2.9	4.7	4.5
Colombia.....	5.4	3.9	7.0	3.2
Chile.....	7.3	9.8	6.2	.2
Other.....	24.8	38.5	14.1	11.0
Total, 20 Republics.....	79.6	96.6	75.5	64.2
Cotton, unmanufactured:				
Cuba.....	1.4	3.2	4.8	3.7
Colombia.....	1.9	6.7	10.2	6.5
Chile.....	1.4	7.2	10.5	1.3
Bolivia.....	1.5	1.8	1.7	0
Uruguay.....	0	.5	2.9	.1
Other.....	.6	.5	1.1	.4
Total, 20 Republics.....	6.8	19.9	31.2	12.0
Tobacco, unmanufactured:				
Mexico.....	2.1	2.5	2.5	4.0
Guatemala.....	.5	.4	.6	.5
Uruguay.....	.9	2.4	2.2	.8
Other.....	2.3	2.4	1.8	2.4
Total, 20 Republics.....	5.8	7.7	7.1	7.7

while cotton has moved in increasing quantities to Chile, Colombia, and Uruguay during recent years.

Trade by Countries

The 20 Latin American Republics alone furnish a market for from 12 to 13 percent of United States exports of agricultural products to the world, but for many of them they are the principal outlet. In the 1958-59 fiscal year, for example, they took more than 90 percent of the barley malt; more than 80 percent of the dried whole milk, ham and shoulders, pear juice, oatmeal, and dried beans; three-quarters of the breeding cattle and shell eggs; and one-half of the lard, pork, and rice. They take a significant share of the export of several other farm products important to U. S. farmers, including wheat flour, hops, white potatoes, and onions, as shown in Table 7.

Table 7.- Selected Agricultural Products: Latin America's share of total U. S. exports, fiscal year 1957-58

Commodity	Total U.S. exports	U.S. exports to Latin America	Latin America's share of U.S. total
	1,000 Dollars	1,000 Dollars	Percent
Cattle for breeding.....	4,454	5,816	76.6
Milk, evaporated.....	4,167	21,952	19.0
Milk, dried whole.....	15,622	18,788	83.1
Nonfat dry milk solids.....	5,318	30,062	17.7
Eggs in the shell.....	9,358	12,284	76.2
Ham and shoulders, cured or cooked, and bacon.....	10,220	12,432	82.2
Pork, other, fresh, frozen, pickled, salted or cured.....	2,445	4,637	52.7
Lard, including shortening.....	29,153	55,290	52.7
Tallow, inedible.....	12,710	95,838	13.3
Apples, fresh.....	3,095	18,991	16.3
Pear juice, nectar, etc.....	2,420	2,810	86.1
Barley malt.....	9,638	10,422	92.5
Oatmeal.....	3,686	4,552	81.0
Rice.....	46,775	93,228	50.2
Wheat flour, wholly U. S.....	42,884	115,873	37.0
Hops.....	6,000	15,063	39.8
Beans, dry.....	13,024	15,765	82.6
Onions.....	2,183	4,645	47.0
Potatoes, white.....	3,011	7,023	42.9

Since 1955, special programs have permitted export of U. S. surplus commodities to several Latin American countries deficient in foreign exchange

Table 8.- U. S. agricultural imports from Latin America, by principal markets and by commodity, 1948-57

Country and commodity	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
Argentina:										
Beef, canned and corned.....	26.1	14.2	28.4	41.8	32.8	29.0	20.1	27.9	17.9	19.0
Sausage casings.....	3.0	1.5	1.9	2.1	2.4	1.4	1.5	1.6	2.0	2.0
Casein and lactarene.....	8.1	4.2	7.8	8.1	4.5	7.0	6.6	10.0	9.9	10.4
Hides and skins.....	23.1	3.5	18.0	16.4	6.0	4.2	.9	4.2	2.1	.7
Wool, unmanufactured.....	79.2	44.1	92.9	82.4	49.0	84.9	43.9	52.9	48.6	47.4
Tung oil.....	0	2.8	4.1	5.0	8.5	4.7	6.4	3.6	4.4	5.8
Other agr. products.....	15.5	25.5	20.3	20.9	24.0	16.1	13.8	11.1	19.6	18.3
Total agr. imports.....	155.0	95.8	174.4	176.7	127.2	147.3	93.2	108.3	105.9	102.2
Brazil:										
Coffee, raw.....	352.6	428.8	566.4	719.9	670.7	627.9	544.8	486.3	604.8	528.4
Cacao beans.....	45.2	33.1	42.4	38.1	26.9	36.8	59.9	46.9	37.5	31.4
Sisal and henequen.....	3.5	1.7	7.0	16.7	8.4	2.2	2.7	5.7	8.7	6.0
Brazil nuts.....	4.6	5.3	4.4	6.5	6.1	6.4	4.0	5.8	7.7	6.2
Castor beans.....	20.3	14.0	9.0	8.6	6.6	3.2	3.7	3.2	1.7	2.0
Carnauba wax.....	11.2	13.7	15.8	14.8	13.3	13.0	13.8	11.0	11.3	12.7
Ouricuri wax.....	1.7	1.4	1.8	1.8	1.9	2.6	1.5	.3	0	.5
Oiticica oil.....	2.7	1.3	2.0	3.3	1.6	1.6	1.1	1.2	1.8	1.2
Castor oil.....	.4	1.3	5.5	13.7	11.1	9.1	3.1	3.8	3.2	10.7
Tapioca flour.....	6.2	3.2	3.6	3.3	3.1	3.1	1.6	3.5	3.0	1.2
Other agr. products.....	36.4	25.7	30.4	38.8	12.0	20.0	16.3	25.7	16.8	14.8
Total agr. imports.....	484.8	529.5	688.3	865.5	761.7	725.9	652.5	593.4	696.6	615.1
Colombia:										
Coffee, raw.....	206.3	203.5	266.6	310.6	335.6	414.9	462.0	408.4	372.6	349.0
Bananas.....	4.3	5.8	5.6	6.0	4.4	6.0	4.7	3.4	2.5	1.0
Other agr. products.....	.5	.3	.2	.9	.6	.5	.4	.3	.6	.3
Total agr. imports.....	211.1	209.6	272.4	317.5	340.6	421.4	467.1	412.1	375.7	350.3
Cuba:										
Sugar, raw.....	282.2	316.0	325.2	310.7	316.5	308.4	287.2	293.2	317.3	332.8
Molasses, inedible.....	26.2	9.7	10.7	26.4	29.5	24.5	20.4	22.9	23.6	19.2
Pineapples, fresh & prepared.....	9.9	6.1	4.2	3.3	3.1	3.5	3.5	4.3	5.6	6.2
Tobacco, unmanufactured.....	23.3	24.0	24.4	25.7	26.3	27.4	26.5	24.8	25.6	25.5
Sisal and henequen.....	1.9	2.8	2.2	4.6	1.8	1.4	1.1	.8	1/	1/
Other agr. products.....	10.7	10.0	9.9	12.8	13.2	12.7	13.4	15.7	7.4	20.9
Total agr. imports.....	354.2	368.6	376.6	383.5	390.4	377.9	352.1	361.7	379.5	404.6
Mexico:										
Coffee, raw.....	17.3	31.3	39.4	53.3	52.8	68.9	88.2	86.7	85.6	93.0
Bananas.....	6.7	6.0	4.6	3.6	2.2	2.0	2.2	1.5	.9	2.1
Pineapples, canned and preparations.....	.6	1.1	1.7	1.9	1.4	1.4	1.5	1.9	1.8	1.6
Other fruits and preparations.....	1.9	1.6	2.6	2.2	2.5	4.8	4.2	4.9	6.0	7.0
Tomatoes, natural.....	21.8	13.8	7.6	11.6	13.7	14.9	9.6	4.4	5.5	7.3
Other vegetables and preparations.....	3.3	3.1	3.4	4.2	4.3	4.7	3.7	7.2	4.5	4.7
Vanilla beans.....	3.4	1.1	1.3	1.0	.8	.8	1.7	1.8	1.1	1.4
Molasses, inedible.....	6.1	2.6	1.0	4.3	3.5	2.0	2.7	2.7	2.3	5.0
Feed and fodders.....	2.2	1.4	6.7	7.0	11.6	4.8	5.1	3.2	4.2	3.1
Cotton, unmanufactured.....	2.8	5.4	6.0	1.1	8.7	8.2	2.6	8.7	5.4	10.6
Other agr. products.....	29.7	22.1	27.8	47.8	62.7	31.5	24.0	38.7	22.0	46.9
Total agr. imports.....	95.8	89.5	102.1	138.0	164.2	144.0	145.5	161.7	139.3	182.7

1/ Less than \$0.05 million.

Table 9.- U. S. agricultural exports to Latin America, by principal markets and by commodity, 1948-58

Country and commodity	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Brazil:											
Dried milk.....	1.2	1.0	0.8	1.6	0.6	0.7	0.7	1.5	2.1	3.1	2.1
Fruits and preparations.....	1.9	1.4	2.8	3.4	1.7	.7	.6	1/	.7	.2	1/
Barley malt.....	4.4	2.2	1.2	2.3	1.6	.9	.4	2	.4	.4	2
Wheat flour.....	46.7	8.1	1.1	2.0	1.1	.5	1/	4	1.0	2.2	2.2
Wheat grain.....	1/	1/	10.5	23.3	93.6	11.2	14.4	6.8	33.4	31.1	28.1
Hops.....	.8	.9	1.3	2.2	1.0	1.3	1.4	.5	.2	.5	1.9
Other agricultural products.....	5.7	6.5	1.4	3.9	1.6	2.3	3.1	3.9	4.5	3.2	5.6
Total agricultural exports.....	60.7	20.1	18.1	38.7	101.2	17.6	20.6	13.3	42.3	40.7	40.1
Colombia:											
Cattle.....	0.3	0.1	0.2	0.4	0.5	1.1	3.7	3.9	0.6	1/	1/
Dairy products.....	.7	1.2	.9	1.5	.5	.6	1.9	1.9	1.4	0.6	0.5
Barley malt.....	1.4	1.1	1.4	2.6	2.1	2.3	2.4	1.9	2.7	2.9	2.2
Wheat grain.....	1.2	.5	0	2.7	2.6	.1	1.0	3.0	6.4	6.7	4.8
Wheat flour.....	1.9	.5	1.0	1.0	1.5	1.5	.7	1.3	1.2	.6	.9
Cotton, unmanufactured.....	3.4	8.5	13.2	11.6	11.2	1.7	1.5	1.9	6.7	10.2	6.5
Other agricultural products.....	6.0	6.8	10.5	8.1	9.5	8.6	19.4	14.4	11.3	12.6	10.7
Total agricultural exports.....	14.9	18.7	27.2	27.9	27.9	15.9	30.6	27.3	29.3	33.6	25.6
Cuba:											
Pork, fresh, cured and canned.....	4.5	4.7	6.7	8.5	10.6	6.4	7.1	8.5	9.4	10.1	11.0
Lard.....	17.3	16.5	17.9	25.3	19.7	18.3	27.0	20.2	19.7	24.3	20.7
Milk, condensed and evaporated.....	5.5	4.4	2.7	4.9	4.4	1.8	2.2	2.4	2.2	2.0	1.2
Rice, milled.....	42.9	49.1	58.0	52.0	49.5	57.9	36.5	19.5	26.5	39.0	39.9
Wheat grain.....	.2	.1	.1	.1	1.3	2.8	3.7	3.1	6.6	7.2	7.0
Wheat flour.....	16.1	14.6	9.7	11.0	10.6	8.4	7.4	7.4	7.7	9.2	7.1
Beans, dry, ripe.....	6.3	4.7	4.8	6.7	9.4	7.3	6.5	5.4	6.4	6.6	7.9
Other agricultural products.....	39.2	34.3	42.1	50.5	48.5	40.4	42.8	41.1	45.1	48.4	50.3
Total agricultural exports.....	132.0	128.4	142.0	159.0	154.0	143.3	133.2	107.6	123.6	146.8	145.1
Mexico:											
Lard.....	3.7	3.8	3.9	6.0	5.3	6.0	5.3	2.8	2.0	1.8	2.0
Tallow, inedible.....	1.0	1.5	.3	2.8	3.3	2.6	3.6	4.2	4.6	3.4	4.1
Dairy products.....	5.7	3.5	2.9	3.8	4.4	3.8	2.3	3.0	4.8	4.5	5.1
Eggs in the shell.....	1.1	.7	.9	4.2	7.5	8.1	6.8	5.4	3.2	1.4	1.3
Corn, grain.....	.1	1/	.1	10.3	2.3	29.5	6.8	1.2	6.6	47.2	43.0
Wheat, grain.....	25.8	18.7	30.7	30.6	38.7	19.1	5.3	1.3	6.3	.1	1/
Barley malt.....	2.5	.9	1.7	2.1	2.1	2.2	1.5	1.0	1.6	1.4	.5
Hops.....	1.0	1.8	1.2	2.7	2.2	1.2	1.3	1.6	1.2	1.5	2.1
Leaf tobacco.....	1.8	1.0	1.2	.4	2.2	3.7	3.7	2.1	2.5	2.5	4.0
Other agricultural products.....	13.1	10.2	9.8	27.1	32.0	26.0	23.1	27.8	35.8	39.7	44.2
Total agricultural exports.....	55.8	42.1	52.7	90.0	100.0	103.1	59.7	49.4	68.6	103.5	106.3
Venezuela:											
Meat and meat products.....	5.1	7.1	7.1	5.4	4.2	2.4	2.5	2.6	2.4	3.3	4.1
Lard.....	1.7	2.1	1.5	1.5	.9	.2	.1	.3	.1	.2	.1
Eggs in the shell.....	3.8	4.7	4.7	5.4	5.7	6.3	5.0	6.8	8.3	9.2	5.2
Milk, dried, whole.....	23.0	19.9	19.3	20.4	17.6	18.5	15.9	17.9	15.3	16.7	12.4
Barley malt.....	1.6	1.7	2.2	2.7	3.1	3.2	2.4	2.6	2.4	2.6	3.2
Wheat flour.....	10.8	6.0	6.3	8.3	8.0	9.2	6.5	9.6	12.5	12.1	9.6
Fruits and preparations.....	4.4	8.6	8.9	7.0	7.7	6.6	7.1	7.9	6.3	8.5	11.3
Other agricultural products.....	21.2	20.7	24.7	26.6	20.8	22.2	23.9	25.2	25.2	29.7	37.7
Total agricultural exports.....	71.6	70.8	74.7	77.3	68.0	68.6	63.5	72.9	72.5	82.3	83.6

1/ Less than \$0.05 million.

required to meet above-normal needs. In 1957, sales for foreign currencies--mainly to Brazil, Chile, Ecuador, and Peru--accounted for about 10 percent of U. S. farm shipments to the area, while about 6 percent moved under emergency relief and similar programs.

Latin America accounted for only 6 percent of all U. S. agricultural exports under special programs. However, those programs have aided in maintaining growth in U. S. exports to meet an increasing need for many important products, particularly grains, fats and oils, cotton, and dairy products.

Although the United States imports some agricultural commodities from each of the Latin American countries, Brazil, Cuba, and Colombia are the major sources. Based mainly upon coffee and sugar, these countries make up about two-thirds of the \$2-billion agricultural imports from the area (see Table 8). Although U. S. agricultural imports from Colombia and Brazil declined after 1954, they were about five times the prewar average during 1957.

Mexico has found a growing market for coffee, fruits and vegetables, live cattle, and subtropical products and ranks fourth as a supplier in the area. Although imports of its wool and livestock products have declined, Argentina ranks fifth. The two countries accounted for about \$285 million, or 13 percent of U. S. farm imports from Latin America during 1957. Other important sources were Dominican Republic, Ecuador, El Salvador, and Guatemala--each supplying over \$50 million.

Cuba remains the largest market for U. S. farm products in Latin America and accounted for \$145 million worth of U. S. exports during 1958. Mexico ranked second with U. S. exports of \$106 million (Table 9). Together the two countries accounted for half of 1958 U. S. farm exports to Latin America. These two countries and Venezuela are the most important and stable Latin American markets for U. S. farm products. Strong convertible currencies in those countries have contributed to the stability of that trade.

Brazil, Colombia, Chile, and Peru are important South American markets, where many important agricultural products are increasingly in demand. In 1958, these countries accounted for approximately 23 percent of U. S. exports to the Latin American countries. This compares with a share of about 13 percent during the prewar period 1935-39. As long as these countries continue to have foreign exchange difficulties, however, special financing programs will be needed to maintain this level of exports.

Although agricultural exports to the 20 Latin American Republics declined in 1958--6 percent--below the level of the previous year, agricultural exports to all countries fell even more--by 14 percent. For the immediate future, we can expect that exports to Latin America will be maintained at or near present levels. We can also expect that Middle America (Cuba, Mexico, and Central America), plus Venezuela, will continue to be the principal market for farm products and that commodities will move there under regular dollar sales. For the most part, these countries have freely convertible currencies, healthy economies, sizeable gold and dollar holdings, and rising per capita incomes. In addition, the fact that commercial agriculture of tropical America is largely complementary to that of the United States favors a continued exchange of goods.

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